

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of)	DOCKET NO. UE-050412
)	
PACIFIC POWER & LIGHT)	PETITION TO INTERVENE OF THE
)	INDUSTRIAL CUSTOMERS OF
Petition for an order approving deferral of)	NORTHWEST UTILITIES
costs related to declining hydro generation.)	
)	
_____)	

1 Pursuant to WAC § 480-07-355, the Industrial Customers of Northwest Utilities (“ICNU”) hereby petitions the Washington Utilities and Transportation Commission (“WUTC” or “Commission”) for leave to intervene in the above-referenced Docket, as an intervenor with full party status as described in WAC § 480-07-340. The business address of ICNU is:

Ken Canon
Executive Director
Industrial Customers of Northwest Utilities
825 N.E. Multnomah, Suite 180
Portland, OR 97232

ICNU will be represented in this proceeding by Davison Van Cleve, P.C. All documents relating to these proceedings should also be served on ICNU’s attorneys and consultant at the following addresses:

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2 The administrative rules at issue are WAC §§ 480-07-340, -355.

3 ICNU is an incorporated, non-profit association of large industrial electric
customers in the Pacific Northwest. A list of ICNU members is included as
Attachment A. Many members of ICNU purchase power from PacifiCorp, as indicated
on Attachment A, and represent some of PacifiCorp's largest customers.

4 ICNU's member companies have a substantial interest in PacifiCorp's
application in this proceeding. PacifiCorp has requested to defer costs associated with
hydro generation in order to track and preserve these costs for later incorporation in rates.
Any Commission decision regarding the treatment of these costs could have an impact on
the rates that PacifiCorp provides to ICNU's members.

5 PacifiCorp's last rate case, which was docketed as UE-032065, ended in
November of 2004. PacifiCorp was authorized to file the rate case because the
Commission amended the five-year Rate Plan that would have prevented PacifiCorp from
increasing rates until January 1, 2006. The Rate Plan barred PacifiCorp from filing this
type of deferred accounting Petition. This petition should be rejected because the
Commission did not abrogate the entire Rate Plan.

6 In addition, PacifiCorp could and should have included any power costs,
including hydro generation costs, in its last rate case, instead of filing for a deferred
account a mere five months after the conclusion of that case. Deferred accounting was
meant to allow recovery of expenses in unforeseeable and extreme cases. There were no
unforeseeable and extreme changes in hydro conditions in the past several months.

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According to its application in this proceeding, PacifiCorp will file a general rate case in the near future. Issues such as this are best addressed through a rate case, and ICNU opposes PacifiCorp's request for a deferred account outside of the impending rate case. PacifiCorp continues to abuse and overuse deferred accounting, which should only occur in cases of extreme, unforeseeable events. It is foreseeable that there will be good and poor hydro years, and current power costs reflect the variation in the availability of hydro. Good and bad hydro years are accounted for in PacifiCorp's power cost models.

8

ICNU represents the interests of a number of PacifiCorp's industrial electric customers. ICNU's intervention in this proceeding will assist the Commission in resolving the issues and will not unreasonably broaden the issues, burden the record, or delay this proceeding.

9

As described above, ICNU has a direct and substantial interest in this proceeding that will not be adequately represented by any other party, and may be affected by any Commission determination made in connection with this proceeding. It is in the public interest to allow ICNU to intervene in this proceeding.

WHEREFORE, ICNU respectfully petitions the Commission for leave to intervene in this proceeding.

Dated in Portland, Oregon, this 20th day of April, 2005.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.



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Of Attorneys for Industrial Customers
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ATTACHMENT A
INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES

Air Liquide
Air Products
BPB Gypsum, Inc.
Blue Heron Paper Company
Boeing
*Boise Cascade
CNC Containers, Northwest
Chemi-Con Materials Corporation
Dyno Nobel, Inc.
ConAgra Foods
Eka Chemicals, Inc.
Evanite Fiber
Georgia-Pacific
Grays Harbor Paper, L.P.
Hewlett-Packard
Inland Empire Paper Co.
Intel
*J.R. Simplot
Kimberly-Clark Corporation
*Longview Fibre
Microsoft Corporation
Norpac Foods
Noveon Kalama, Inc.
Oregon Steel Mills
PCC Structural, Inc.
Ponderay Newsprint Co
Shell Oil Products US
Simpson Paper
Simpson Timber
Solar Grade Silicon LLC
Tesoro Refining and Marketing Co.
Wah Chang
West Linn Paper Company
*Weyerhaeuser

**Denotes PacifiCorp Customers in Washington*